LFC Requester:	**Christina Keyes**

AGENCY BILL ANALYSIS
2016 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION
{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original X **Amendment** _____
Correction _____ **Substitute** _____

Date January , 2016

Bill No: HB 273

Sponsor: Rep. Jim R. Trujillo and Rep. Carl Trujillo

Short Title: Liquor Tax to Court Funds

Agency Code: 305

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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY16	**FY17**		

(Parenthesis ( ) Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY16	**FY17**	**FY18**		

(Parenthesis ( ) Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY16	FY17	FY18	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: SB 194, SB 212, and SB 230
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY
This analysis is neither a formal Attorney General's Opinion nor an Attorney General's Advisory Letter. This is a staff analysis in response to an agency's, committee's, or legislator's request.
Synopsis:

House Bill 273 amends the Tax Administration Act to change the distribution of net receipts attributable to the liquor excise tax. Currently, a distribution of forty-six percent of the net receipts attributable to the liquor excise tax is made to the local DWI grant fund. House Bill 273 amends the statute, changing that percentage on and after July 1, 2018 to "seventy and one-half percent". The Bill also makes a distribution beginning July 1, 2018 of five percent of the net receipts attributable to the liquor excise tax to the magistrate drug court fund, and another five percent to the district court drug court fund. The Bill further amends the statutory provision creating the magistrate drug court fund to include inclusive language regarding "substance abuse services," and then creates the "district court drug court fund" with a proposed statutory provision that mimics the language of the magistrate drug court fund.

FISCAL IMPLICATIONS: N/A

SIGNIFICANT ISSUES: None

PERFORMANCE IMPLICATIONS: N/A

ADMINISTRATIVE IMPLICATIONS: N/A

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP:
- Senate Bill 194 would amend the distribution from the net receipts attributable to the liquor excise tax to include $41,667 monthly to Class B counties. This raises a potential a potential conflict with House Bill 273 depending on the total net receipts available – it is possible that the $41,667 would make it impossible to make the distribution as

contemplated under House Bill 273.

- Senate Bill 212 amends the distribution, extending the distribution of 39% of the net receipts attributable to the liquor excise tax to the lottery tuition fund beyond June 30, 2017, leaving the available percent at 61%, which the distribution proportions in House Bill 273 exceed.
- Senate Bill 230 amends the distribution of liquor excise tax to include a distribution to the lottery tuition fund after July 1, 2018 (22% until June 30, 2019, then 11% until June 30, 2020). This language then conflicts with House Bill 273 which creates a distribution of a total of 81.5% of the net receipts attributable to the liquor excise tax, leaving only 18.5% of the net receipts available after July 1, 2018.

TECHNICAL ISSUES: N/A

OTHER SUBSTANTIVE ISSUES: N/A

ALTERNATIVES: N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL: Status quo

AMENDMENTS: N/A